

Well Name: PETE MORROW	Well Location: T25N / R12W / SEC 1 / SWNE / 36.432755 / 108.060074	County or Parish/State: SAN JUAN / NM
Well Number: 2	Type of Well: OTHER	Allottee or Tribe Name:
Lease Number: NMSF078064	Unit or CA Name:	Unit or CA Number:
US Well Number: 300452768500S1	Well Status: Gas Well Shut In	Operator: DJR OPERATING LLC

Notice of Intent

Type of Submission: Notice of Intent

Date Sundry Submitted: 01/25/2021

Date proposed operation will begin: 01/25/2021

Type of Action Plug and Abandonment

Time Sundry Submitted: 10:06

Procedure Description: DJR Operating, LLC requests permission to Plug & Abandon the subject well according to the attached Procedure, Current & Proposed Wellbore Diagram and Reclamation Plan.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

- Procedure Description
- Reclamation_Plan_Pete_Morrow_2_20210125100630.pdf
 - Proposed_WBD_Pete_Morrow_2_20210125100620.pdf
 - Current_WBD_Pete_Morrow_2_20210125100613.pdf
 - PA_Procedure_Pete_Morrow_2_20210125100605.pdf

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Conditions of Approval

Specialist Review

General_Requirement_P_A_20210316103708.pdf

Additional Reviews

Pete_Morrow_2_Geo_Rpt_20210503163252.pdf

Authorized Officer

PA_COA_notifications_20210503173343.pdf

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: SHAW-MARIE FORD

Signed on: JAN 25, 2021 10:06 AM

Name: DJR OPERATING LLC

Title: Regulatory Specialist

Street Address: 1 Road 3263

City: Aztec **State:** NM

Phone: (505) 632-3476

Email address: sford@djrlc.com

Field Representative

Representative Name:

Street Address:

City: **State:** **Zip:**

Phone:

Email address:

BLM Point of Contact

BLM POC Name: CHRISTOPHER P WENMAN

BLM POC Phone: 5055647600

Disposition: Approved

Signature: Chris Wenman

BLM POC Title: Natural Resource Specialist

BLM POC Email Address: cwenman@blm.gov

Disposition Date: 05/03/2021

Plug and Abandonment Procedure
for
DJR Operating, LLC
Pete Morrow 2
API # 30-045-27685
SW/NE, Unit G, Sec. 1, T25N, R12W
San Juan County, NM

I.

1. Hold pre-job meeting, comply with all NMOCD, BLM and environmental regulations.
2. Check and record tubing, casing and bradenhead pressures.
3. Remove existing piping from casing valve, RU blow lines from casing valves and blow down casing pressure. Kill well as necessary. Ensure that well is dead or on a vacuum.
4. Trip out of hole with rods and pump. Lay down to be sent in for storage/salvage.
5. ND WH, NU BOP, function test BOP.
6. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.

II.

7. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 1150'. TOOH.
8. PU and RIH with a 4 1/2" cement retainer. Set the CR at +/- 1150'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.

Provided that casing test was good, proceed to step 9.

9. RU cement equipment. Pump water to assure that tubing is clear.
10. Plug 1. Mix and attempt to pump 10 sx class G cement through cement retainer and displace with 5.1 bbl water. If zone pressures up, sting back out of retainer and continue with Plug 2.

11. Plug 2. Fruitland, Kirtland, Ojo Alamo, and surface casing shoe. From 1150' to surface, mix and pump cement until cement circulation is achieved at surface.
12. RD cementing equipment. Cut off wellhead, fill annuli with cement as necessary. Install P&A marker as per regulatory requirements. Record GPS coordinates for P&A marker and the final P&A report. Photograph the P&A marker and attach to the report.
13. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
14. Send all reports and attachments to DJR Aztec office for regulatory filings.

Note: All cement is to be class G mixed at 15.8 ppg, yield 1.15 cu ft / sx. Cement volumes are based on inside capacities + 50' excess and outside capacities + 100 % excess.

DJR Operating, LLC

Current Wellbore Diagram

Pete Morrow 2

API # 30-045-27685

SW/NE, Unit G, Sec 1, T25N, R12W
San Juan County, NM

GL 6275'

KB N/A

Spud Date 1/5/1990

SURF CSG

Hole size 8.75"
Csg Size: 7"
Wt: 23#
Grade: K-55
ID: 6.366"
Depth 133'
casing cap ft³/ft: 0.2210
TOC: Circ cmt
to surface

FORMATION TOPS

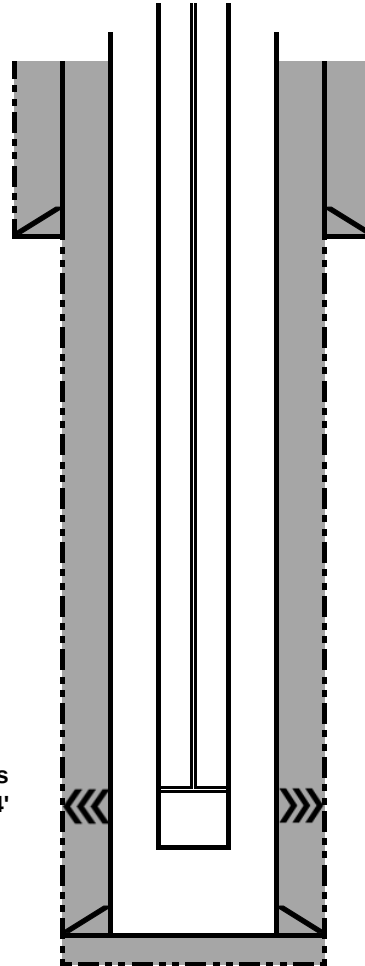
FORMATION TOPS	Surface
Nacimiento	Surface
Ojo Alamo	N/A
Kirtland	N/A
Fruitland	1075'
Pictured Cliffs	1206'

PROD CSG

Hole size 6.25"
Csg Size: 4.5"
Wt: 10.5#
Grade: J-55
ID: 4.052"
Depth 1360'
casing cap ft³/ft: 0.0895
7x4.5 capacity ft³/ft 0.1106
TOC: Circ cmt
to surface

Fruitland Coal perms
1183-1204'

PBTD 1323'
TD 1375'



Production Tubing/Rod Detail

19' tail jt., SN, 40 jts. 2-3/8" tbg. EOT at 1273'.

2x1-1/2x12' pump, 3x7/8" rods, 46x3/4" rods, 2'
sub, 16' polished rod.

10/23/2020

DJR Operating, LLC
Proposed Wellbore Diagram

Pete Morrow 2

API # 30-045-27685

SW/NE, Unit G, Sec 1, T25N, R12W
 San Juan County, NM

GL 6275'

KB N/A

Spud Date 1/5/1990

SURF CSG

Hole size 8.75"
 Csg Size: 7"
 Wt: 23#
 Grade: K-55
 ID: 6.366"
 Depth 133'
 casing cap ft³/ft: 0.221
 TOC: Circ cmt
 to surface

FORMATION TOPS

Nacimiento	Surface
Ojo Alamo	N/A
Kirtland	N/A
Fruitland	1075'
Pictured Cliffs	1206'

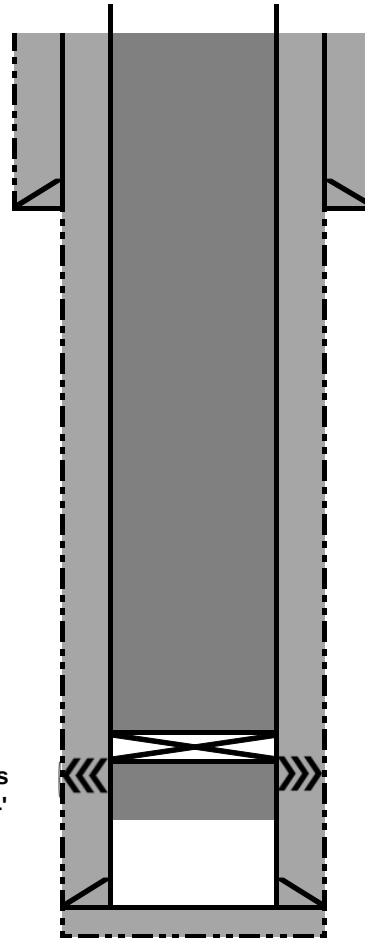
Plug 2: 1150' to surface, to cover
 Fruitland, Kirtland, Ojo Alamo, surface
 shoe.

PROD CSG

Hole size 6.25"
 Csg Size: 4.5"
 Wt: 10.5#
 Grade: J-55
 ID: 4.052"
 Depth 1360'
 casing cap ft³/ft: 0.0895
 7x4.5 capacity ft³/ft 0.1106
 TOC: Circ cmt
 to surface

Cement Ret. 1150'
 Fruitland Coal perms
 1183-1204'

PBTD 1323'
 TD 1375'



Plug 1: Attempt to pump 10 sx class G
 cement through CR to Fruitland perms.

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON FIELD OFFICE**

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
 - 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
 - 4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. **If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.**

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

(October 2012 Revision)

BLM FLUID MINERALS Geologic Report

Date Completed: 12/7/20

Well No.	Pete Morrow # 2	Location	1650'	FNL	&	1975'	FEL
Lease No.	NMSF078064	Sec. 1	T25N				R12W
Operator	DJR Operating LLC	County	San Juan	State		New Mexico	
Total Depth	1375'	PBTD 1323'	Formation	Basin Fruitland Coal			
Elevation (GL) 6275'			Elevation (KB) 6290'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/Fresh water sands
Nacimiento Fm			Surface	233'	
Ojo Alamo Ss			233'	333'	Aquifer (fresh water)
Kirtland Shale			333'	944'	
Fruitland Fm			944'	1193'	Coal/Gas/Possible water
Pictured Cliffs Ss			1193'		Gas
Lewis Shale					
Chacra					Probable water or dry
Cliff House Ss (main)					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					Source rock
Gallup					O&G/Water
Dakota					O&G/Water

Remarks:

P & A

- The proposed plugging plan, if executed as presented, will adequately protect the freshwater sands in this well bore.

- Please ensure that the tops of the Pictured Cliffs and Fruitland formations as well as the entire Ojo Alamo aquifer, identified in this report, are isolated by proper placement of cement plugs. This will protect the freshwater sands in this well bore.

Reference Well:

1) DJR Operating Fm. Tops
Same
2) DJR Operating Fm Tops
Pete Morrow # 1T
1505' FSL, 1420' FEL
Sec 1, 25N, 12W
GL 6278'

Prepared by: Walter Gage

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

COMMENTS

Action 26815

COMMENTS

Operator:	DJR OPERATING, LLC	1 Road 3263	Aztec, NM87410	OGRID:	371838	Action Number:	26815	Action Type:	C-103F
Created By	Comment					Comment Date			
kpickford	KP GEO Review 5/5/2021					05/05/2021			

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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Santa Fe, NM 87505

CONDITIONS

Action 26815

CONDITIONS OF APPROVAL

Operator:	DJR OPERATING, LLC	1 Road 3263	Aztec, NM87410	OGRID:	371838	Action Number:	26815	Action Type:	C-103F
OCD Reviewer									Condition
kpickford									None